

Exhibit G:
Annual Loan Products Narrative Reporting Template

FREDDIE MAC

AFFORDABLE HOUSING PRESERVATION

2018 REPORT

EVALUATION AREA: PRODUCT

ACTIVITY:

Activity 4 – USDA Section 515: Statutory Activity

OBJECTIVE:

Objective A: Develop a new offering to preserve properties with USDA Section 515 debt

ACTIONS:

FHFA has determined that this objective was infeasible for 2018.

SELF-ASSESSMENT RATING OF PROGRESS:

Select the category that best describes progress on this objective for the year.

- Objective met
- Objective exceeded
- Objective partially completed:
 - 75-99% (substantial amount)
 - 50-74% (limited amount)
 - 25-49% (minimal amount)
 - 1-24% (less than a minimal amount)
- No milestones achieved

PARTIAL CREDIT JUSTIFICATION:

If the self-assessment above indicated that the objective was partially completed, briefly explain the basis for the share of the objective that was completed. In the explanation, include a discussion of the level of effort expended for the completed actions compared to the level of effort required to complete the entire objective.

(Character limit: 3,000 characters, including spaces)

IMPACT:

Provide a self-assessment of the level of impact that actions under the objective have accomplished.

- 50 – Substantial Impact

- 40
- 30 – Meaningful Impact
- 20
- 10 – Minimal Impact
- 0 – No Impact

IMPACT EXPLANATION:

Answer the following questions.

1. How and to what extent were actions under this objective impactful in addressing underserved market needs or laying the foundation for future impact in addressing underserved market needs? *(Character limit: 3,000 characters, including spaces)*
2. Optional: How do actions under this objective support future actions detailed in the Plan for the underserved market? If there have been any changes in the planned next steps or timeline for work under or related to this objective, describe the changes and provide a brief explanation. *(Character limit: 1,500 characters, including spaces)*
3. Optional: Are there any market factors that adversely impacted the actions under this objective? If so, describe. *(Character limit: 3,000 characters, including spaces)*
4. Optional: How did the actions under this objective contribute to increased or future loan purchases for the underserved market? *(Character limit: 1,500 characters, including spaces)*

Attach the information detailed in the list of documentation specific to the objective that was provided by FHFA.

Exhibit C:
Second Quarter Loan Products Narrative Reporting Template

FREDDIE MAC

AFFORDABLE HOUSING PRESERVATION

2Q REPORT

EVALUATION AREA: PRODUCT

ACTIVITY:

Activity 4 – USDA Section 515: Statutory Activity

OBJECTIVE:

Objective A: Develop a new offering to preserve properties with USDA Section 515 debt

SUMMARY OF RESULTS:

Recapitalizing and preserving the affordability of USDA 515 properties is critical to the long-term availability of affordable housing in rural markets. Often, 515 properties are the only affordable units in rural communities, making the preservation of these homes critical.

We have made steady progress on the product development for our new offering that will preserve properties with USDA 515 debt. We have developed a set of offering parameters we believe will be effective in preserving USDA 515 properties. Internally, we have proposed underwriting parameters that mitigate the risk of rental assistance termination as well as other factors that may be present with rural multifamily housing. These offering parameters have been documented in a draft term sheet which will be published subject to appropriate review processes. During the development process, we engaged in extensive outreach to help inform our offering parameters.

Over the remainder of the year, we plan to work closely with the USDA to negotiate a subordination agreement that can work at scale with our loan offering and enable us to channel private capital through our capital markets executions to support long term preservation of properties currently in the 515 program. We have worked consistently with USDA RHS staff towards this goal. As of the end of 2Q2018, we have proposed an initial draft of the subordination agreement, and the USDA has requested a second draft, which we will provide in 3Q2018.

ACTIONS:

Action Category	Action Reference – Activity 4; Objective A	Status
Market Actions	Action 1	Engage with various market participants – In process
	Action 2	Evaluate Offering Parameters – Complete
	Action 3	Evaluate UW Parameters – Complete
	Action 4A-F	Publish Term Sheet – Outstanding
	Action 5	Initiate Sample Transaction – Outstanding
	Action 6	Training Sessions to S/S – Outstanding
	Action 7	Negotiate Subordination Agreement – In process
Resource Actions	Action 1	Implement Working Group – Complete

SELF-ASSESSMENT RATING OF PROGRESS:

Select the category that best describes progress on this objective for the reporting period.

- On-target to meet or exceed the objective
- Progress delayed and/or partial completion of the objective expected
- Unlikely to achieve any milestones of the objective

ADDITIONAL INFORMATION (IF APPLICABLE):

N/A